

KELLEY DRYE & WARREN LLP

A LIMITED LIABILITY PARTNERSHIP

WASHINGTON HARBOUR, SUITE 400

3050 K STREET, NW

WASHINGTON, DC 20007

(202) 342-8400

FACSIMILE

(202) 342-8451

www.kelleydrye.com

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March 23, 2018

Ms. Jocelyn Boyd
Chief Clerk and Administrator
Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Notice of IM Telecom, LLC d/b/a Infiniti Mobile and KonaTel, Inc.¹ Regarding a Transaction That Will Result in a Material Change to the Ownership and Control of IM Telecom, LLC (Docket No. 2016-279-C)

Dear Ms. Boyd:

IM Telecom, LLC d/b/a Infiniti Mobile (Infiniti Mobile or the Company) and the KonaTel Companies, (together with Infiniti Mobile, the Parties) respectfully submit this letter to notify the Public Service Commission of South Carolina (Commission) that the Parties intend to consummate a transaction that will transfer ownership and control of Infiniti Mobile to the KonaTel Companies (the Transaction). Upon consummation of the Transaction, Infiniti Mobile will be a wholly-owned subsidiary of KonaTel Parent. As discussed below, the Transaction will benefit consumers throughout Infiniti Mobile's operating territory and is demonstrably in the public interest. Moreover, the change to Infiniti Mobile's ownership will not result in any loss, diminishment or impairment of service for Infiniti Mobile customers.

It is the Parties' understanding that prior Commission approval is not required to consummate the Transaction. The Parties therefore submit this notice for the Commission's information.

¹ KonaTel, Inc. (KonaTel Parent) is a Delaware corporation with a Nevada-formed subsidiary, also named KonaTel, Inc. (KonaTel). For the purposes of this notice, they will be referred to, collectively, as the KonaTel Companies.

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The Parties

1. *Infiniti Mobile*

Infiniti Mobile is an Oklahoma limited liability company with its principal office located at 1705 South Baltimore Ave., Tulsa, Oklahoma 74104. Infiniti Mobile operates, or is authorized to operate (insofar as required), as a Mobile Virtual Network Operator in 24 states, including South Carolina, providing prepaid commercial mobile radio services to consumers utilizing the wireless networks of its underlying facilities-based providers. In South Carolina, Infiniti Mobile was designated by the Commission as an eligible telecommunications carrier (ETC) for the provision of Lifeline-only services on November 30, 2016 by Order No. 2016-795 in Docket No. 2016-279-C. Infiniti Mobile also has been designated as a Lifeline-only ETC in the states of Georgia, Maryland, Nevada, Oklahoma, Vermont, and Wisconsin.² Infiniti Mobile's website is located at www.infinitimobile.com.

2. *The KonaTel Companies*

KonaTel Parent is a public Delaware corporation with principal offices located at 13601 Preston Rd., Suite 816E, Dallas, TX 75240.³ KonaTel Parent's operating subsidiary, KonaTel, operates as a full service cellular provider, delivering local and long distance wireless voice services and broadband services to individual and business customers in various retail and wholesale markets. Through its sales network, it provides these services nationwide.

KonaTel's cellular industry segment operations primarily consist of the following services:

- "Wholesale Mobile Voice," which includes wholesale priced minutes, text and data to mobile resellers;
- "B2B Mobile Voice (agents)," which includes traditional post-paid cellular services, acquired from Verizon Communications, Inc. (Verizon) and AT&T Mobility LLC (AT&T), sold to small and medium sized businesses and marketed through independent commissioned sales agents;
- "B2B & B2C Retail," which comprises one retail location in upstate New York that functions as a Sprint Corporation reseller of cellular services and products, primarily

² Infiniti Mobile has pending applications for ETC designation in Arizona, Kentucky, Pennsylvania, and Washington as well as with the Federal Communications Commission for twelve "default" states.

³ KonaTel Parent currently trades on the OTC Markets Group under the trading symbol "KTEL."

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selling B2C Retail Service, and which also sells Verizon and AT&T service from that location, mostly consisting of B2B Mobile Service; and

- “Internet of Things” or wireless data (IoT). KonaTel plans to devote additional resources to IoT and has direct wholesale mobile data agreements with Verizon and AT&T to provide it with wireless data services.

The KonaTel Companies have facilities in Johnstown, New York and Johnstown, Pennsylvania as well as in Dallas, Texas, where the KonaTel Companies maintain their principal executive offices. Further information regarding KonaTel and its products and services is available at www.konatel.com.

Designated Contacts

Correspondence or other communications concerning this notice should be directed to the following:

John J. Heitmann
Joshua T. Guyan
Kelley Drye & Warren, LLP
3050 K Street, N.W. Suite 400
Washington, D.C. 20007
Tel: (202) 342-8566
Fax: (202) 342-8451
jheitmann@kelleydrye.com
jguyan@kelleydrye.com

with copies to

Treva V. Morrow, Esq.
IM Telecom, LLC
1705 South Baltimore Ave.
Tulsa, OK 74119

Chuck Schneider
Chief Executive Officer
KonaTel, Inc.
13601 Preston Rd., Suite 816E
Dallas, TX 75240

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Description of the Transaction

Pursuant to an Agreement for the Purchase and Sale of Membership Interest (the Agreement), executed between Infiniti Mobile and KonaTel Parent and effective as of February 5, 2018, the Parties have agreed that Mr. Morrow will transfer all of his interests in Infiniti Mobile to KonaTel Parent. The Transaction will be closed as soon as any required regulatory approvals are obtained and other pre-closing conditions satisfied or waived. Following the consummation of the Transaction, Infiniti Mobile will be a direct wholly-owned subsidiary of KonaTel Parent. Pre- and post-close organizational charts for Infiniti Mobile and the KonaTel Companies are provided as *Attachment A*.

Public Interest Considerations

The acquisition of Infiniti Mobile by KonaTel Parent, as contemplated by the Agreement, will benefit consumers throughout Infiniti Mobile's current and future operating territories. The KonaTel Companies are financially strong and are directly managed by a hands-on team which brings over thirty years of experience in telecommunications as well as decades of expertise in operations management and marketing and, collectively, 24 years of experience in operations for Lifeline service providers. Further enhancing the caliber of its senior management, KonaTel Parent recently added three new members to the Board of Directors, each with over twenty years' experience in the telecommunications industry. All of these strategic resources will be available to Infiniti Mobile as it continues to grow and develop its business. This will facilitate improvements to Infiniti Mobile's operating efficiency, financial management, and strategic decision-making. As a result, Infiniti Mobile will be able to compete more effectively in the wireless and broadband market sectors. At the same time, the Transaction holds no adverse effects for consumers as it will not lead to any loss of or reduction in services to Infiniti Mobile's customers, nor will it result in any change to the rates, terms and conditions associated with those services.⁴

⁴ Future changes to Infiniti Mobile's service offerings and/or the rates, terms and conditions applicable to those offerings will be implemented consistent with applicable regulatory requirements.

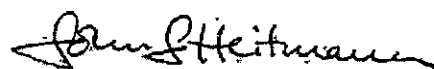
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An original and 15 copies of this notice are provided along with a duplicate copy for date-stamp and return in the enclosed pre-addressed envelope. Please contact the undersigned counsel with any questions regarding this filing.

Vde

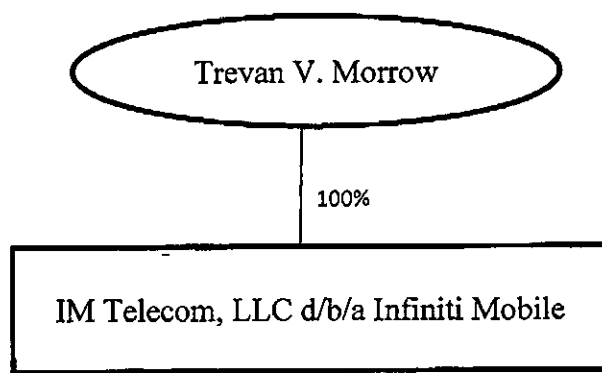
Sincerely,



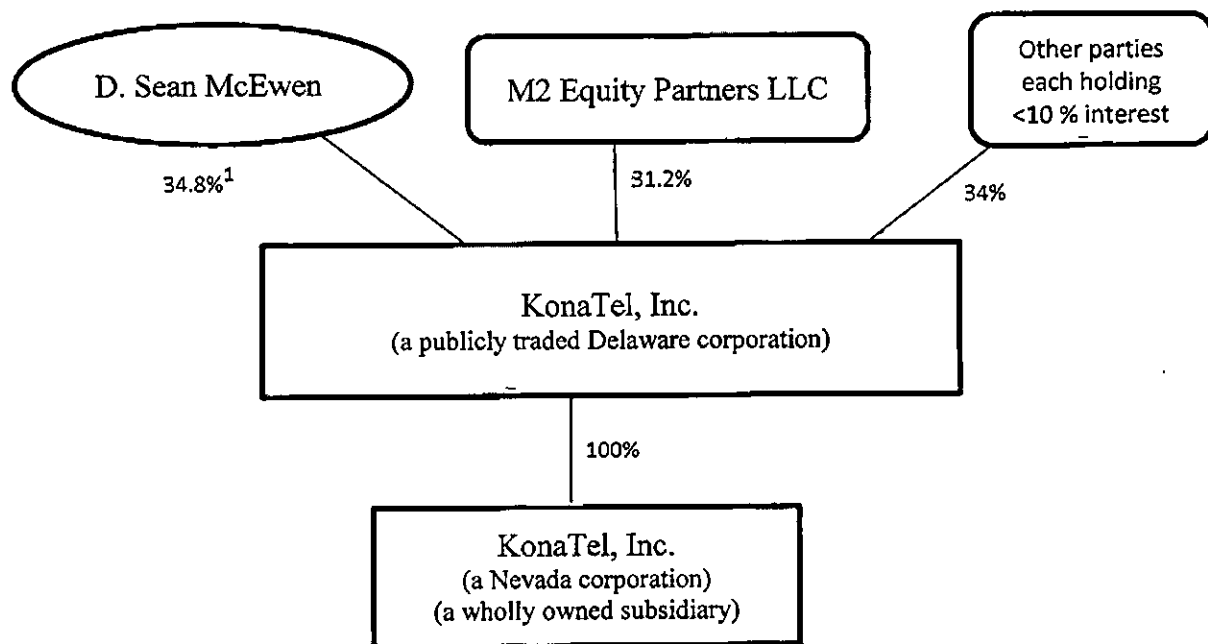
John J. Heitmann
Joshua T. Guyan

Attachment A

Pre- and Post-Close Corporate Structure Charts

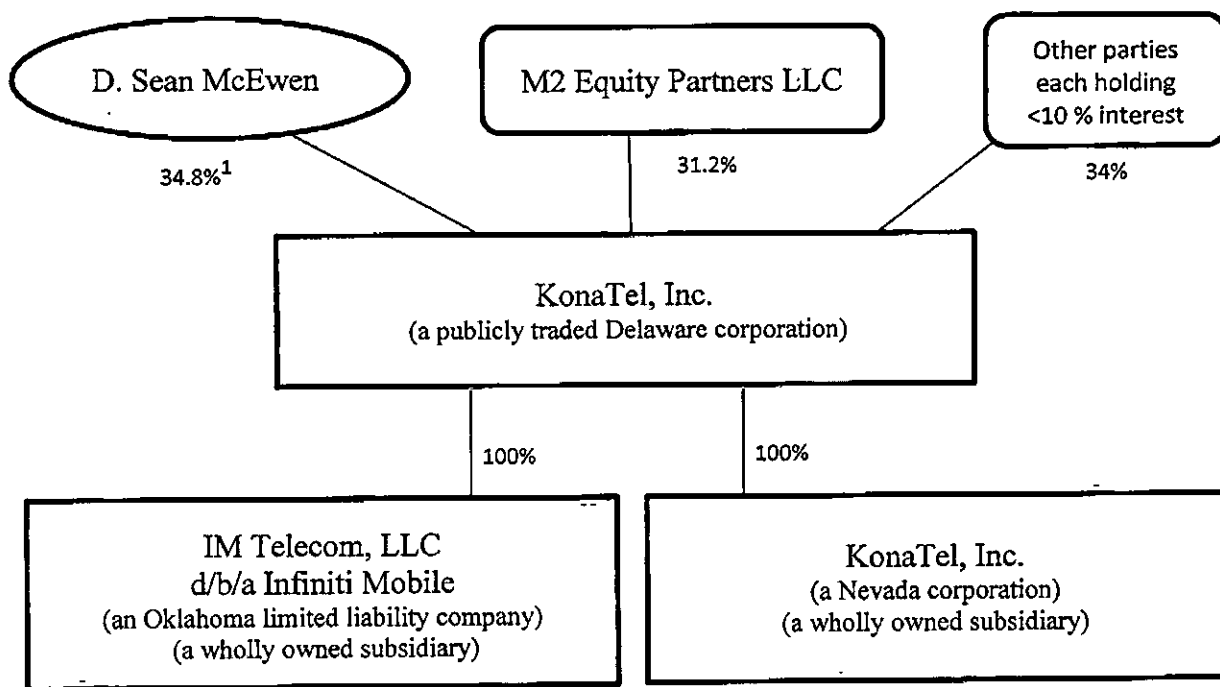


Pre-Close Corporate Structure of IM Telecom, LLC d/b/a Infiniti Mobile



¹ Pursuant to a Shareholder Voting Agreement, Mr. McEwen holds an irrevocable proxy to vote the shares of M2 Equity Partners LLC for a period of two years, vesting him with a controlling 66% of the voting shares of KonaTel, Inc. during that time.

Pre-Close Corporate Structure of the KonaTel Companies



¹ Pursuant to a Shareholder Voting Agreement, Mr. McEwen holds an irrevocable proxy to vote the shares of M2 Equity Partners LLC for a period of two years, vesting him with a controlling 66% of the voting shares of KonaTel, Inc. during that time.

Post-Close Corporate Structure of
IM Telecom, LLC d/b/a Infiniti Mobile and the KonaTel Companies